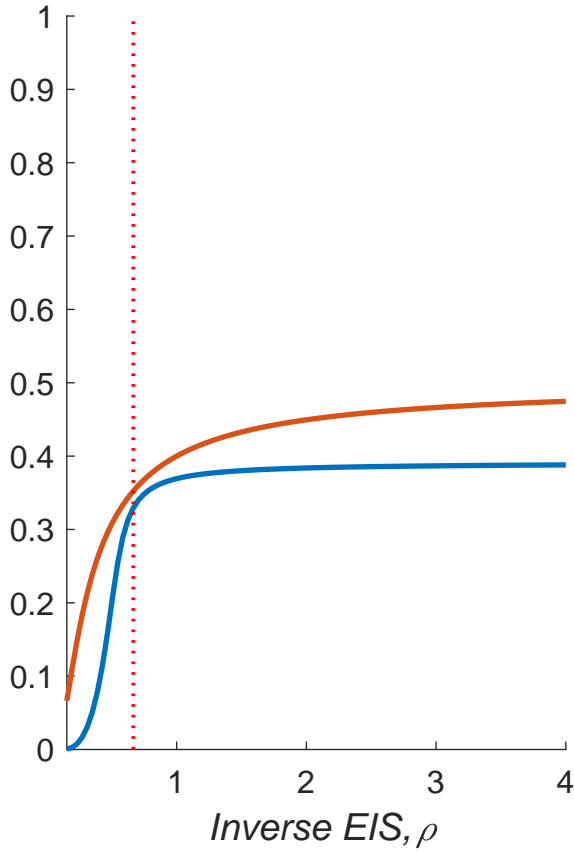
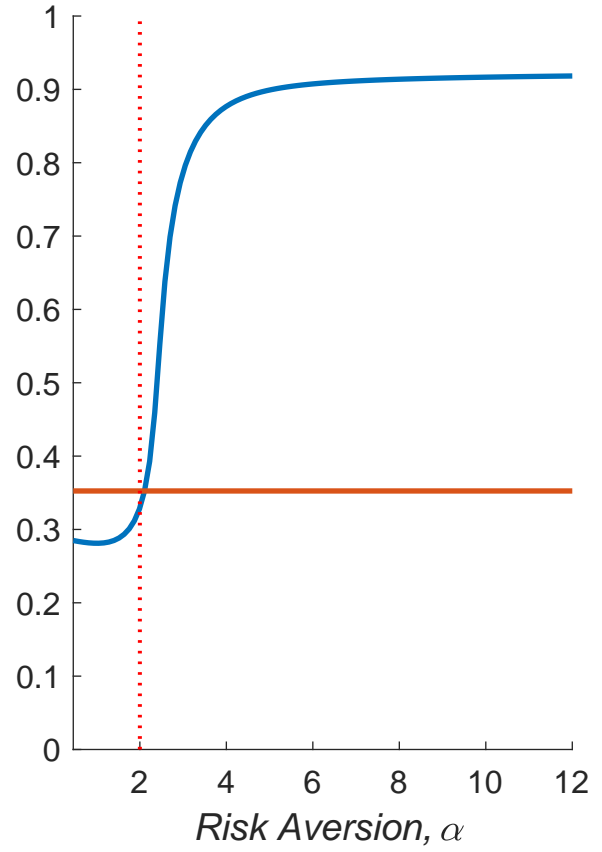


— $\delta > 0$ (partly endogenous) — $\delta = 0$ (no death)

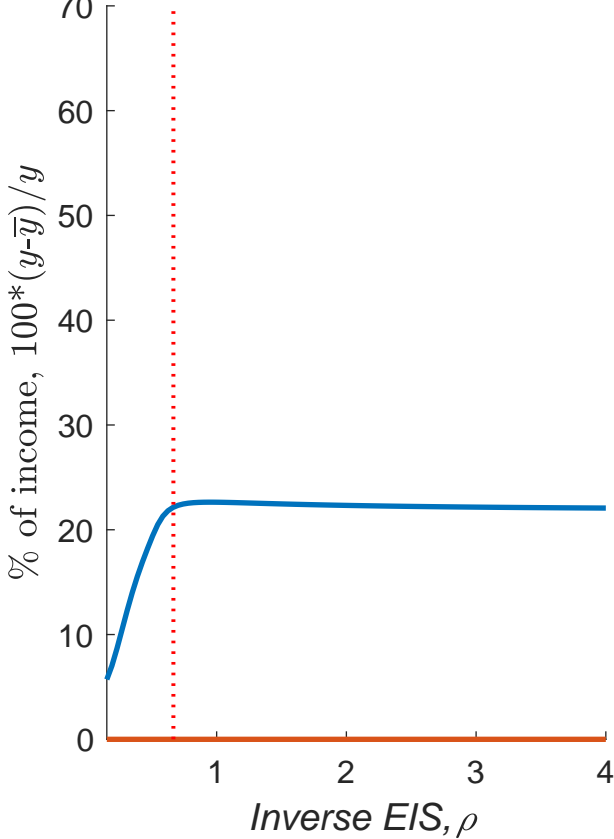
Consumption in Period 1, c_1



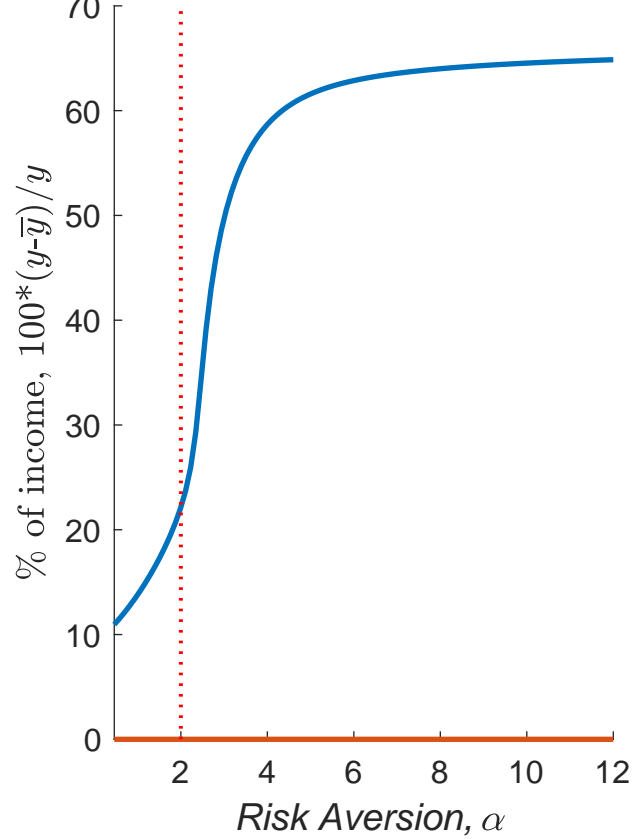
Consumption in Period 1, c_1



Willingness to Pay



Willingness to Pay



Note: $100*(y-\bar{y})/y$ denotes percent of income someone is willing to pay to remain in $\delta=0$ economy instead of going to $\delta > 0$ economy.